

## **MONEY 101**

Proverbs 13:11

March 2, 2008 Sunday a.m.

### **INTRODUCTION**

- A. According to research, of all the promises you'll make on your wedding day, the "for richer or poorer" part is likely to cause the most problems.
  - 1. Fifty percent of divorces are caused over money.
  - 2. It's a fact of life that if you aren't in control of your finances, you will have a hard time controlling other areas of your life as well.
- B. We can't escape the fact that money is a source of stress in our lives.
  - 1. A new survey released by the American Psychological Association reveals that money is the biggest cause of stress for most Americans. The survey conducted in late January, asked 1,000 people to list the most significant factors contributing to stress in their lives.

73 percent of Americans said money was their primary cause of stress, and 33 percent said money was a contributing factor to the stress they experience. Other significant factors listed in the survey were work, physical health, and children.
  - 2. No matter what your income, most people feel they need more.
  - 3. Whether you have a little or a lot, we are all going to have to learn how to manage our money or it will destroy our chances for happiness.
  - 4. What does the Bible say about managing money? The book of Proverbs offers five principles of money management we will briefly examine today.

### **I FIRST, KEEP TRACK OF YOUR MONEY.**

- A. Have you ever broke a twenty dollar bill , or even a bigger bill in the morning and wondered at the end of the day where it went to? Of course you have.
- B. Solomon suggests we keep track of our money—27:23-24.
  - 1. Don't get bogged down in the details.
  - 2. Keep it simple.
- C. Along this same line, one of the most difficult parts of losing a spouse is sorting out the financial details.
  - 1. This is especially true if the remaining person knows little about their financial dealings.
  - 2. If Gay goes before me, I figure I've got 30 days to get remarried because I've never balanced a check book before. I've got an even shorter time, if I don't buy some extra "fruit of the loom" on the way home after the funeral.
  - 3. Its not morbid to let each other know about the finances before the worst happens.

### **II. SECOND, PLAN YOUR FINANCES AHEAD.**

- A. This is called a financial plan, which is another word for a budget.
- B. Solomon suggests we plan ahead too-21:5.
- C. Dave Ramsey's Financial Peace is a good resource to use.
  - 1. Ramsey's initial plan is called, "Seven Baby Steps".
    - 1) An emergency fund of \$1,000.
    - 2) Pay off all debt with the debt snowball.
    - 3) Save 3 to 6 months income for large emergency.
    - 4) Invest 15% of income into a Roth IRA and Pre-tax retirement plans.
    - 5) Set up a college fund.
    - 6) Pay off your home early.
    - 7) Build wealth and start giving it away.
  - 2. His website offers some good tools on budgeting-daveramsey.com.

### III. THIRD, SAVE MONEY CONSISTENTLY.

- A. The savings rate in America has been declining for 10 years, and now has dropped to the same levels seen during the Great Depression. In June of 2005, the savings rate fell to 0.02 percent, which means that Americans spent 99.8 percent of their after-tax income.

*"Savings Rate Falls To Almost Zero," Los Angeles Times (8-3-05); submitted by Bill White, Paramount, California*

- B. Solomon says save your money-13:11 & 21:20.

### IV. FOURTH, ELIMINATE DEBT.

- A. Former boxer Mike Tyson earned in the nine years before filing for bankruptcy in August 2003: \$300,000,000.

1. Its no coincidence that debt is a four letter word.
2. I'm not talking about having a home mortgage or car payment. I'm talking about "consumer debt" i.e. credit cards.

- B. A 3-year-old girl from Rochester, New York, received an application for a platinum Visa card in the mail. This so amused Allesandra Scalise's mother that she filled it out, listing her daughter's occupation as "toddler," and leaving the income line blank. She also wrote on the application, "I'd like to have a credit card to buy some toys, but I'm only three and my mommy says no."

The card arrived a few weeks later.

- C. Solomon says-6-5.

1. Obviously, he is talking about co-signing a note, but his words could apply to credit cards too.
2. If you can't afford it don't buy it. I'll admit doing without isn't fun. In fact its painful, but not as painful as being a slave to a bank.

### V. FIFTH, GIVE SOMETHING TO GOD.

- A. This is what Solomon says—3:9-10.

- B. Many can't afford to give much, if anything, to the Lord because they are in debt.

- C. Let me say two things about that.

1. One, your first obligation is to your family. No preacher has the right to ask you to give him your last dollar if your kids are going to go hungry. And God isn't asking you to do that either—I Timothy 5:8.
2. Two, get out of debt so you can give God something. God doesn't need your money, but you need to give him some as a sign of your dependence on him.

### CONCLUSION

- A. Why talk about finances during a Sunday morning service?

- B. Because Jesus said the way we manage our money says something about the way we relate to God—Luke 16:11.

- C. Its time to start managing your money instead of letting your money manage you.